

**MINUTES OF THE
UTAH COMPREHENSIVE HEALTH INSURANCE POOL
BOARD OF DIRECTOR'S MEETING**

**March 20, 2014
Select Health
Auditorium B
1:00 p.m.**

Directors

Present: Elizabeth Hunter, Chair; Norm Thurston; Todd Kiser; Steve Canfield; Doug Hasbrouck M.D.; Randall Smart; Matt Minkevitch; Steve Neeleman

Directors Steve Bateman; Chet Loftus

Absent:

Directors Todd Trettin; Rob Perry

By Phone:

Present by

Invitation: Tomi Ossana; Perri Ann Babalis; Troy Pritchett; Sally Burns

SelectHealth

Staff Present: Lyndee Astill; Maren Donaldson ; Crystal Ince; Jesse Liddell; LoisAnn Jones

The meeting was called to order at 1:00 p.m. by Elizabeth Hunter, Chair.

APPROVAL OF MINUTES

The HIPUtah minutes of January 23, 2014 were presented. Motion made to approve minutes. **Motion- Steve Neeleman, Second- Commissioner Kiser, motion carried**

ACTUARIAL REPORT & FINANCIAL PROJECTIONS—Troy Pritchett

HIPUtah

Current projections leave HIPUtah with \$14.3 million in assets.

Federal-HIPUtah

Federal-HIPUtah estimated claim run-out is approximately \$100,000 in claims to process. Provisions for unexpected large claims have been discussed with HHS.

HIPUTAH FY 2014 & FY 2015 BUDGET REVIEW—Tomi Ossana

- Presented budget is current as of end of February. As of the end of February for FY 2014, the closing balance is projected at \$11 million. The last quarterly appropriation has not been received, thus the discrepancy between the projected budget and current budget. Currently at 67% of the budget year.
- FY 15 numbers are different from Milliman's projections due to legislative requirements of showing all expenses and revenue that fall in FY 2015 but are part of the 2014 run-out. The Budget that was approved for FY 2015 shows \$2 Million operating loss and an ending balance of \$15 million.
- State audit for HIPUtah has started and should be completed with a report in November 2014.
- One member took the extension by appeal option for the month of January. It will move transition and termination time lines out by a month.

FEDERAL-HIPUTAH BUDGET REVIEW AND CY 13 -- Sally Burns

The cost proposal was submitted last month. No official letter has been received in return.

The Federal-HIPUtah financial audit for CY 2013 began in March and will need to be submitted to HHS by June 30, 2014.

The current federal fund level is approximately \$2.2M for the run-out of claims and administrative expenses.

TRANSITION AND TERMINATION PLAN/TASK LIST- Tomi Ossana

- Under HB 141 it states the sunset date for HIPUtah will be July 1, 2015. It was mentioned by John Johnson it may need to be amended to June 30, 2015. Tomi will determine if it is necessary and have a correction in the next legislative session.
- Tomi reviewed the amended time lines and termination dates due to the extension of HIPUtah coverage through January 2014.
- Issues with HIPUtah's litigation timeline were addressed in the legislative session. HIPUtah statute was changed in the 2014 legislative session regarding litigation and was modified to 3 years. Randy questioned why it was not amended to a year; Tomi requests that be discussed with Perri. After a brief discussion it was determined that that due to HIPUtah's structure it is probably not possible but will be researched further.
- The amended contract with SelectHealth is still in process.
- HB 357 deletes language that defined how the Governor and the Legislature should make recommendations regarding funding for HIPUtah's base budget.

Tomi reviewed the task list with all items that need to be accomplished between now and June 2015. Including, reports, audits, retention needs, etc. Tomi also has them in calendar form.

LEGISLATIVE UPDATES- Tomi Ossana and Perri Babalis

House Bill 24, sponsored by Rep. Dunnigan, was introduced, it included clean up items for HIPUtah to comply with the Affordable Care Act. **PASSED**

HB 141, incorporated under HIPUtah statute in the Power of the Board that the HIPUtah Transition and Termination plan is part of the Plan of Operations.

Tomi discussed the three options that have been proposed for Medicaid expansion.

ACTION ITEMS- Tomi Ossana

SelectHealth's contract has been under review since September for a January 1 effective date. Select Health's legal department has made some changes. State purchasing has recommended the contract be extended through June 30, 2015 to avoid a discussion later to determine an extension at that point.

When the \$20,000 cap on the contract was discussed Federal-HIPUtah was not taken into consideration. There is a small concern regarding some of the extended efforts put into the Federal-HIPUtah compliance and oversight audit bringing SelectHealth closer to the limit than originally thought. A motion to extend SelectHealth's contract from June 30, 2014 to June 30, 2015 was presented. **Doug Hasbrouck motions, Randy Smart- Second, motion Carried**

Motion made clarifying the budgetary item from January's board meeting regarding \$20,000 cap for state HIPUtah extending to include a \$20,000 cap for Federal HIPUtah anything more than that would be readdressed with the board. **Doug Hasbrouck- motion, Matt Minkevitch- second, motion carried.**

Milliman's contract ends July 31, 2014 and has one renewal—The Actuary RFP Committee will need to review whether to extend and in what capacity. Milliman currently bills at an hourly rate with a cap on the monthly amount they can bill. It has been requested to have the members of the actuary team create something to present at the May board meeting.

Executive Director contract ends December 04, 2014 and has no renewals-- Tomi has projected there will be an average of 50 hours per week from the tasks she has determined to implement the Transition and Termination plan. Commissioner Kiser's concerns on the topic included the Insurance Department not having staff to manage the tasks, as well as lack of expertise. He recommends considering looking into contracting with Tomi as a sole source. Randy, as the Chair of the Executive Director RFP Committee, will work with State Purchasing to determine what options are available including a sole source contract. He will then meet with the RFP committee, with Steve Neeleman in place of Rob Parry, to present the options in the May board meeting.

Menu for the annual meeting was handed out with a request of orders.

PREMIUM ASSISTANCE SUBSIDY- Tomi Ossana

Currently there are no members on the PAS program. There is \$936,000 of the operational grant left after all the Premium Assistance Subsidies were processed.

NEXT MEETING

The next Board meeting has been scheduled for Thursday May 08, 2014, noon, at SelectHealth.